

Department of Finance <p style="text-align: center;">STATE OF CALIFORNIA MANUAL OF STATE FUNDS</p>		Fund: 3067 PAGE 1 Renumbered From:
<u>Legal Title</u> Cigarette and Tobacco Products Compliance Fund		
<u>Legal Citation/Authority</u> Chapter 890, Statutes of 2003 (AB 71) Business and Professions Code sections: 22970 – 22991 (General Provisions) 22990 (Creation of Fund)		
<u>Fund Classification</u> <u>GAAP Basis</u> Governmental/Special Revenue Funds		<u>Fund Classification</u> <u>Legal Basis</u> Governmental/ Other Governmental Cost Fund
<u>Purpose</u> Chapter 890, Statutes of 2003, established the California Cigarette and Tobacco Products Licensing Act (Act) of 2003, for the enforcement of California’s cigarette and tobacco products tax laws by requiring the licensure of manufacturers, importers, wholesalers, distributors, and retailers of cigarette and tobacco products engaged in business in California. The Cigarette and Tobacco Products Compliance Fund was created to deposit revenues derived from fees imposed on cigarette and tobacco product manufacturers, wholesalers, distributors, importers, and retailers for licensure, and for specified fines and penalties related to fraudulent cigarette stamps and licensing activities for the purpose of implementing, enforcing, and administering the Act.		
<u>Administering Agency/Organization Code</u> State Board of Equalization/Org 0860		
<u>Major Revenue Source</u> <ul style="list-style-type: none"> Fees imposed on cigarette and tobacco product manufacturers, wholesalers, distributors, importers, and retailers. Fines and penalties related to fraudulent cigarette stamps and licensing activities. 		
<u>Disposition of Fund (upon abolishment)</u> Pursuant to Government Code section 16346, in the absence of language that identifies a successor fund, any balance remaining in this fund upon abolishment shall be transferred to the General Fund.		
<u>Appropriation Authority</u> All money in the Cigarette and Tobacco Products Compliance Fund is available for expenditure, upon appropriation by the Legislature.		
<u>State Appropriations Limit</u> Excluded – Revenues in this fund are not proceeds of taxes, however, when transferred, may become proceeds of taxes. These revenues are used to regulate the activities engaged in by the payers.		

Comments/Historical Information

The amount of \$11,000,000 is appropriated from this fund during the 2003-04 fiscal year to the State Board of Equalization for the purpose of implementing, enforcing, and administering the Act, subject to specified provisions pursuant to Section 22991 (a)(b)(c).

Chapter 890, Statutes of 2003, establishes a repeal date for these provisions effective January 1, 2010, which was repealed pursuant to Chapter 501, Statutes of 2006.